



# Spring 2022 Revenue Forecast

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THE STATE  
of ALASKA  
GOVERNOR MIKE DUNLEAVY

## Department of Revenue

### COMMISSIONER'S OFFICE

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March 15, 2022

The Honorable Mike Dunleavy  
Governor  
State of Alaska  
P.O. Box 110001  
Juneau, Alaska 99811-0001

Dear Governor Dunleavy,

I am presenting the Department of Revenue's Spring 2022 Revenue Forecast to you. This publication provides a recent history and projection of state revenues and is a collaborative effort among the Department of Revenue and several other state agencies.

Compared to the Fall 2021 Forecast, the Alaska North Slope (ANS) oil price forecast has been increased by \$15.96 per barrel for fiscal year (FY) 2022 and \$30.00 per barrel for FY 2023. The ANS oil production forecast has been decreased by 4,900 barrels per day for FY 2022 and increased by 2,200 barrels per day for FY 2023. Driven by this improved outlook for oil price, the Unrestricted General Fund (UGF) revenue forecast has been increased by \$1.2 billion for FY 2022 and \$2.4 billion for FY 2023. Forecasts for revenue have also been increased for all years beyond FY 2023.

UGF revenue, before accounting for the transfer from the Permanent Fund Earnings Reserve, is forecast to be \$3.9 billion in FY 2022 and \$5.0 billion in FY 2023.

The Permanent Fund is expected to transfer \$3.1 billion to the General Fund in FY 2022 and \$3.4 billion in FY 2023. These amounts include funds that are available for general government spending and the payment of dividends.

In terms of petroleum revenue, the revenue forecast is based on ANS oil prices of \$91.68 for FY 2022 and \$101.00 for FY 2023, stabilizing at \$77.00 by FY 2031. The oil price forecast is based on futures market prices through FY 2029, followed by an assumption that prices will increase with inflation thereafter. Based on the higher forecasted oil prices, petroleum is once again expected to be the largest source of UGF revenue for FY 2022 and FY 2023, contributing over 50% of expected UGF in each of those two years.

For FY 2021, ANS oil production averaged 486,100 barrels per day. ANS oil production is expected to average 481,800 barrels per day in FY 2022 and 502,300 barrels per day in FY 2023, before climbing to 576,600 barrels per day by FY 2031.

As with the past several forecasts, this Spring 2022 Forecast comes during a continued period of uncertainty, with geopolitical events causing heightened oil price and stock market volatility in recent weeks. It is important to point out that this forecast represents one plausible scenario within a range of potential outcomes. Key elements of this forecast scenario are detailed in the executive summary.

Sincerely,

A handwritten signature in cursive script that reads "Lucinda Mahoney".

Lucinda Mahoney  
Commissioner

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# Executive Summary

## Introduction

The Department of Revenue releases a formal state revenue forecast twice per year. The revenue forecast is intended to be a policy-neutral document that provides fundamental data and information to inform the public and aid decision-makers.

This revenue forecast is based on detailed modeling and reflects the department's most current expectations for numerous variables, including investment returns, oil price, oil production, and oil company spending. The next official forecast will be next released in the fall to provide an initial view on revenue to help guide initial budget decisions for the FY 2024 budget cycle.

## Revenue Summary

The State of Alaska received an estimated total of \$29.8 billion in revenue in fiscal year (FY) 2021 from all sources, the highest level of total revenue in the state's history and an increase of \$21.7 billion in total revenue from the previous fiscal year.

In FY 2021, unrestricted general fund (UGF) revenues totaled \$4.8 billion. Excluding transfers from the Alaska Permanent Fund, UGF revenue from all other sources for FY 2021 was \$1.7 billion. Tables 2-1 and 2-2 provide an overview of the composition of UGF as well as forecasts for the current and next fiscal year.

This Spring 2022 Forecast reflects an increase in expected UGF revenue as compared to the Fall 2021 Forecast. For FY 2022, projected UGF revenue has been increased by \$1.2 billion, including a \$1.2 billion increase to expected petroleum revenue. For FY 2023, projected UGF revenue has been increased by \$2.4 billion, including a \$2.4 billion increase to expected petroleum revenue. Petroleum revenue increases for the current and next fiscal year are a function of a higher oil price forecast.

Restricted revenue represents revenue that is limited in how it can be spent by the Alaska Constitution, state or federal law, trust or debt restrictions, or by customary practice. Major components of restricted revenue include federal receipts, investment earnings not attributable to the General Fund, constitutionally mandated petroleum revenue deposits, and non-petroleum revenue sources that are used for specific purposes. In FY 2021, restricted state revenue totaled \$25.0 billion. Tables 2-1 and 2-3 summarize the department's forecasts for restricted revenue for the current and next fiscal year.

Restricted revenues are divided into three types – designated general fund, other restricted revenue, and federal revenue. Some of these revenues, while categorized as restricted by custom, are still available for appropriation for any purpose.

## Investment Revenue

Investment revenue is the earnings generated from certain assets such as the Permanent Fund, the Constitutional Budget Reserve Fund (CBRF), and other funds. In FY 2021, the state earned \$19.6 billion in total investment revenue. The department is forecasting investment revenue of \$4.5 billion in FY 2022 and \$4.9 billion in FY 2023.

Prior to FY 2019, the majority of investment revenue was considered restricted revenue. However, beginning in FY 2019, a portion of the value of the Permanent Fund is depicted as unrestricted revenue. With this change, investment revenue is now one of the largest contributors to unrestricted revenue.

The Permanent Fund contributed \$3.1 billion to unrestricted revenue in FY 2021 and is anticipated to contribute \$3.1 billion to unrestricted revenue in FY 2022 and \$3.4 billion in FY 2023. These projections are based on a series of assumptions, including a total fund value of \$81.9 billion as of June 30, 2021, a 5.86% return on invested assets for FY 2022, and a 6.20% annual return on invested assets for FY 2023 and beyond. The annual Permanent Fund "draw" is available for appropriation to fund dividends, government spending, or savings.

## Federal Revenue

All federal funds the state receives are considered restricted for purposes of this forecast. Federal funds include revenues for highways, medical care, education, and other dedicated purposes. The state received an estimated \$7.6 billion in FY 2021. Consistent with practice in prior years, the federal revenue forecast represents the maximum possible federal revenue contribution, while actual revenues received routinely come in below forecast. In FY 2020 – 2023, federal funds include stimulus money in response to the COVID-19 pandemic. In FY 2023 – 2027, federal funds include preliminary estimates of potential state receipts from the Infrastructure Investment and Jobs Act (IIJA) passed by Congress in November 2021.

## Petroleum Revenue

Petroleum revenue comes from four components – production tax, royalties, property tax, and corporate income tax.

Unrestricted petroleum revenue amounted to \$1.2 billion in FY 2021. Petroleum is projected to provide between 29% and 53% of unrestricted revenue over the next 10 years as shown in Table 2-5. This percentage is lower than the historical share, due to including a portion of the value of the Permanent Fund as unrestricted revenue beginning in FY 2019. Excluding this Permanent Fund share, petroleum is expected to provide between 77% and 91% of unrestricted revenue over the next 10 years.

Restricted petroleum revenue contributed an additional \$0.4 billion in FY 2021. The primary sources of restricted petroleum revenue are royalties deposited into both the Permanent Fund and Public School Trust Fund, as well as settlements of tax and royalty disputes deposited into the CBRF.

Four elements are critical to the determination of petroleum revenues – price, production, lease expenditures, and transportation costs.

## Oil Price

Alaska North Slope (ANS) oil prices averaged \$54.14 per barrel in FY 2021. The revenue forecast is based on an annual average ANS oil price of \$91.68 per barrel for FY 2022 and \$101.00 per barrel for FY 2023. The department's forecast assumes that annual average price will decline after FY 2023, reaching the mid-to-high \$70s per barrel by FY 2026 and remaining in that range over the remainder of the 10-year forecast period, averaging \$77.00 (nominal) in FY 2031.

The department made a change to how oil prices are forecast in Fall 2021. Previously, the oil price forecast was derived based on two years of futures market projections for Brent crude followed by an assumption that prices would increase with inflation thereafter. Beginning with the Fall 2021 forecast, the oil price forecast utilizes futures market projections for as many years as are available followed by an assumption that prices will increase with inflation thereafter. This change was made in an effort to provide a more accurate projection of oil prices and thus state revenue over the medium and long term.

## Oil Production

Total crude oil production from Alaska's North Slope averaged 486,100 barrels per day in FY 2021. The oil production forecast expects ANS production of 481,800 barrels per day in FY 2022 and 502,300 barrels per day in FY 2023. After FY 2023, production is forecast to gradually increase to 576,600 barrels per day by the end of the 10-year forecast period.

The oil production forecast balances projected declines in production at existing fields with incremental production from new fields and new developments. Several new oil fields are progressing through the planning and development process. These new fields are expected to contribute to stable and increasing production later in the forecast period.

## Lease Expenditures and Transportation Costs

In FY 2021, allowable oil and gas lease expenditures amounted to an estimated \$4.3 billion statewide, including \$3.9 billion of spending on the North Slope. Allowable lease expenditures are expected to increase in FY 2022 to \$4.4 billion statewide, including \$4.1 billion of spending on the North Slope. Allowable lease expenditures are expected to increase in FY 2023 – 2024, based on a combination of increased activity at existing fields, expected investments in new developments, and expected cost increases due to inflation and higher oil prices. These investments include multiple billions of dollars to bring new fields like Pikka and Willow into production.

In FY 2021, transportation costs for North Slope oil averaged \$9.19 per barrel; they are expected to average \$9.71 in FY 2022 and \$9.40 in FY 2023. Transportation costs are subtracted from the ANS price to form the basis for tax and royalty calculations.

## Major Gas Sales and ANWR

Two major petroleum-related projects have the potential to add to state petroleum revenues beyond what is presented in this forecast.

First, the State of Alaska is continuing to work on a project to commercialize North Slope natural gas reserves. This project could lead to liquid natural gas exports and substantial new state revenues. To be conservative, major gas sales will not be included in this forecast until the project reaches a Final Investment Decision. This takes into consideration the recent loan guarantees provided in the federal Infrastructure Investment and Jobs Act.

Additionally, as part of federal tax legislation enacted in 2017, the U.S. Department of Interior was directed to hold two lease sales in the Arctic National Wildlife Refuge (ANWR) "1002 area" over a 10-year period. The first of these lease sales was completed in January 2021, and the state received 50% of the revenue from that lease sale. Currently, leases on these eleven tracks are held by three organizations, including several held by the Alaska Industrial Development and Export Authority (AIDEA).

ANWR lease sales are of interest to Alaska both as a source of future production and economic activity, and because the state receives a portion of any federal bonuses, rents, and royalties from the leases. Currently, 50% of ANWR revenue is shared with the state. Of the revenue received by the state, 50% of the state's share goes to the Permanent Fund, 0.5% to the Public School Trust Fund, and the remaining share is unrestricted general fund revenue. Since timing and revenue from the second ANWR lease sale are unknown at this time, the department has conservatively chosen not to include future lease sale revenue in the forecast. Additionally, any production from ANWR will not be included until a discovery is made that meets the criteria for inclusion in the production forecast.

## Non-Petroleum Revenue from In-State Activity

Corporate income tax revenue from non-petroleum related businesses, excise taxes, consumption taxes, charges for services, fines and forfeitures, licenses and permits, non-petroleum rents and royalties, transfers, and other miscellaneous revenue are referred to as “non-petroleum revenues from in-state activities.”

This does not include investment and federal revenues. In FY 2021, unrestricted non-petroleum revenues amounted to \$444 million. Unrestricted non-petroleum revenues from in-state activities are expected to be \$368 million in FY 2022 and \$505 million in FY 2023, increasing to \$597 million by the end of the 10-year forecast period. In FY 2021, restricted non-petroleum revenue amounted to \$591 million. Restricted non-petroleum revenues are expected to be \$693 million in FY 2022 and \$704 million in FY 2023. These amounts only represent revenues from existing revenue sources under current law.

## Forecasting and COVID-19

This spring revenue forecast comes during a continued period of uncertainty, due to both continued impacts of the COVID-19 pandemic as well as recently heightened geopolitical concerns. Given the uncertainty, it remains challenging to make predictions on the stock market, oil prices, future tourist activity, or revenue with certainty. In recognition of this continued uncertainty, the department has developed a plausible scenario upon which to base the spring revenue forecast.

Key elements of this forecast scenario include:

- **Investment Revenue:** The forecast is based on a most likely case for expected investment returns which presumes continued stable growth in markets.
- **Federal Revenue:** The forecast incorporates known stimulus funding as of March 1, 2022, as well as expected funding from the federal infrastructure package passed by congress in November 2021.
- **Oil and Gas Revenue:** The pandemic caused temporary disruptions to oil prices and production in April-June of 2020. Oil prices and production have since stabilized, and oil prices increased sharply in early March, 2022. The forecast is based on oil prices as indicated by futures markets and does not assume any further production curtailments.
- **Non-Oil and Gas Revenue:** The forecast is based on a scenario assuming minimal disruptions to economic activity from COVID-19 or geopolitical events. The scenario assumes steady and continued economic growth. For tourism, including cruise ships, this forecast assumes that the 2022 summer season (FY 2022-2023) proceeds with cruise ship passenger counts at 75% of scheduled capacity. For the 2023 summer season (FY 2023-2024) and on, tourism activity is assumed to be robust with cruise ship passenger counts at 100% of scheduled capacity. These assumptions reflect no inside knowledge and are intended simply to provide one possible baseline for budget planning purposes. For mining, the forecast assumptions are based on minerals prices as indicated by futures markets and does not assume any major new mine developments.

The department will continue to monitor these assumptions and will update the forecast scenario in the Fall 2022 Forecast.

# Total State Revenue

## By restriction and type



		Millions of Dollars		
		History	Forecast	
		FY 2021	FY 2022	FY 2023
<b>Unrestricted Revenue Sources</b>				
<b>Unrestricted General Fund Revenue</b>				
1	Investment Revenue	3,120.9	3,064.6	3,376.6
2	Petroleum Revenue <sup>1</sup>	1,217.6	3,519.9	4,449.1
3	Non-Petroleum Revenue <sup>1</sup>	444.3	368.3	505.3
4	<b>Total Unrestricted General Fund Revenue</b>	<b>4,782.8</b>	<b>6,952.7</b>	<b>8,331.0</b>
<b>Restricted Revenue Sources</b>				
<b>Designated General Fund Revenue</b>				
5	Investment Revenue	182.3	15.4	47.8
6	Petroleum Revenue <sup>1</sup>	60.0	78.9	109.0
7	Non-Petroleum Revenue <sup>1</sup>	479.9	483.5	476.2
8	<b>Subtotal Designated General Fund Revenue</b>	<b>722.2</b>	<b>577.7</b>	<b>633.0</b>
<b>Other Restricted Revenue</b>				
9	Investment Revenue	16,278.6	1,405.8	1,501.2
10	Petroleum Revenue	300.2	457.3	558.8
11	Non-Petroleum Revenue	111.0	209.4	227.6
12	<b>Subtotal Other Restricted Revenue</b>	<b>16,689.8</b>	<b>2,072.5</b>	<b>2,287.5</b>
<b>Federal Revenue</b>				
13	Federal Receipts	7,555.0	6,165.1	5,135.1
14	Petroleum Revenue <sup>2</sup>	15.8	15.0	48.7
15	<b>Subtotal Federal Revenue</b>	<b>7,570.8</b>	<b>6,180.1</b>	<b>5,183.8</b>
16	<b>Total Restricted Revenue</b>	<b>24,982.8</b>	<b>8,830.3</b>	<b>8,104.3</b>
17	<b>Total State Revenue</b>	<b>29,765.6</b>	<b>15,783.1</b>	<b>16,435.4</b>

<sup>1</sup> Beginning with FY 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as Unrestricted General Fund revenue; this change in presentation was made for conformity to budget documents.

<sup>2</sup> Petroleum revenue shown in the Federal category includes the state share of rents, royalties and bonuses received from the National Petroleum Reserve - Alaska.

# Unrestricted General Fund Revenue

## By type and source

		Millions of Dollars		
		History	Forecast	
		FY 2021	FY 2022	FY 2023
<b>Unrestricted Investment Revenue</b>				
<b>Investment Revenue</b>				
1	Alaska Permanent Fund	3,091.5	3,069.3	3,360.6
2	Investments	29.4	-4.7	16.0
3	<b>Total Unrestricted Investment Revenue</b>	<b>3,120.9</b>	<b>3,064.6</b>	<b>3,376.6</b>
<b>Unrestricted Petroleum Revenue</b>				
<b>Petroleum Taxes</b>				
4	Petroleum Property Tax	119.2	123.6	116.2
5	Petroleum Corporate Income Tax	-19.4	190.0	340.0
6	Oil and Gas Production Tax <sup>1</sup>	389.0	1,941.2	2,534.3
7	<b>Subtotal Petroleum Taxes</b>	<b>488.8</b>	<b>2,254.9</b>	<b>2,990.5</b>
<b>Royalties (including Bonuses, Rents, and Interest)</b>				
8	Mineral Bonuses and Rents	15.8	11.8	17.2
9	Oil and Gas Royalties	709.2	1,264.4	1,441.4
10	Interest	3.8	-11.2	0.0
11	<b>Subtotal Royalties</b>	<b>728.8</b>	<b>1,265.0</b>	<b>1,458.6</b>
12	<b>Total Unrestricted Petroleum Revenue</b>	<b>1,217.6</b>	<b>3,519.9</b>	<b>4,449.1</b>
<b>Unrestricted Non-Petroleum Revenue</b>				
<b>Non-Petroleum Taxes</b>				
<b>Excise Tax</b>				
13	Alcoholic Beverage	20.6	21.1	21.3
14	Tobacco Product – Cigarette	24.9	22.5	21.7
15	Tobacco Product – Other	13.1	13.4	13.4
16	Electric and Telephone Cooperative	0.2	0.2	0.2
17	Insurance Premium Tax	55.2	56.8	58.0
18	Marijuana	7.8	7.8	8.6
19	Motor Fuel (Refined Fuel Surcharge) <sup>1</sup>	6.4	0.0	0.0
20	Tire Fee	1.5	1.5	1.5
21	<b>Subtotal Excise Tax</b>	<b>129.7</b>	<b>123.3</b>	<b>124.6</b>
22	<b>Corporate Income Tax</b>	<b>102.8</b>	<b>15.0</b>	<b>125.0</b>
<b>Fisheries Tax</b>				
23	Fisheries Business	13.8	21.0	21.8
24	Fishery Resource Landing	7.1	5.9	6.0
25	<b>Subtotal Fisheries Tax</b>	<b>20.9</b>	<b>26.9</b>	<b>27.8</b>
<b>Other Tax</b>				
26	Charitable Gaming	2.6	2.6	2.7
27	Large Passenger Vessel Gambling	0.0	1.2	10.2
28	Mining	9.0	47.9	76.5
29	<b>Subtotal Other Tax</b>	<b>11.6</b>	<b>51.7</b>	<b>89.3</b>
30	<b>Subtotal Unrestricted Non-Petroleum Taxes</b>	<b>265.1</b>	<b>216.9</b>	<b>366.7</b>
31	<b>Charges for Services</b>	<b>3.8</b>	<b>3.8</b>	<b>3.8</b>
32	<b>Fines and Forfeitures</b>	<b>15.1</b>	<b>13.6</b>	<b>13.6</b>

## Unrestricted General Fund Revenue

### By type and source

		Millions of Dollars		
		History	Forecast	
		FY 2021	FY 2022	FY 2023
<b>Licenses and Permits</b>				
33	Motor Vehicle	36.5	36.5	36.5
34	Other	0.8	1.3	1.3
35	<b>Subtotal Licenses and Permits</b>	<b>37.3</b>	<b>37.8</b>	<b>37.8</b>
<b>Rents and Royalties</b>				
36	Mining Royalties, Bonuses, Rents, and Interest	1.3	1.3	1.5
37	Other Non-Petroleum Royalties, Bonuses, Rents, and Interest <sup>2</sup>	0.0	0.0	0.0
38	<b>Subtotal Rents and Royalties</b>	<b>1.3</b>	<b>1.3</b>	<b>1.5</b>
<b>Miscellaneous Revenue and Transfers</b>				
39	Miscellaneous	56.6	35.0	35.0
40	Alaska Housing Finance Corporation Dividend	33.6	30.6	30.5
41	Alaska Industrial Development and Export Authority Dividend	14.5	17.3	6.5
42	Alaska Student Loan Corporation Dividend	0.0	0.0	0.0
43	Unclaimed Property	17.0	12.0	10.0
44	<b>Subtotal Miscellaneous Revenues and Transfers</b>	<b>121.7</b>	<b>94.9</b>	<b>82.0</b>
45	<b>Total Unrestricted Non-Petroleum Revenue</b>	<b>444.3</b>	<b>368.3</b>	<b>505.3</b>
46	<b>Total Unrestricted General Fund Revenue</b>	<b>4,782.8</b>	<b>6,952.7</b>	<b>8,331.0</b>

<sup>1</sup> Beginning with FY 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as Unrestricted General Fund revenue; this change in presentation was made for conformity to budget documents.

<sup>2</sup> Beginning with FY 2021, all non-petroleum and non-minerals rents and royalties are considered program receipts and are shown as Designated General Fund or Other Restricted revenue. Previously a portion of these receipts were shown as Unrestricted General Fund revenue; this change in presentation was made for conformity to budget documents.

## Restricted Revenue

### By type and source

		Millions of Dollars		
		History	Forecast	
		FY 2021	FY 2022	FY 2023
<b>Designated General Fund Restricted Revenue</b>				
<b>Investment Revenue</b>				
1	Investments – Designated General Fund <sup>1</sup>	0.4	-0.2	0.7
2	Other Treasury – Managed Funds	181.9	15.6	47.1
3	<b>Subtotal Investment Revenue</b>	<b>182.3</b>	<b>15.4</b>	<b>47.8</b>
<b>Petroleum Revenue</b>				
4	Production Tax – Hazardous Release Surcharge <sup>2</sup>	0.0	7.9	8.2
5	Royalties, Bonuses, Rents, and Interest to Alaska Permanent Fund	60.0	71.0	100.9
6	<b>Subtotal Petroleum Revenue</b>	<b>60.0</b>	<b>78.9</b>	<b>109.0</b>
<b>Non-Petroleum Revenue</b>				
7	Taxes <sup>2</sup>	140.4	153.0	155.3
8	Charges for Services	241.8	230.0	242.3
9	Fines and Forfeitures	5.7	5.9	5.7
10	Licenses and Permits	0.8	1.6	1.6
11	Rents and Royalties (includes bonuses and interest)	27.6	28.1	28.6
12	Other	63.5	65.0	42.7
13	<b>Subtotal Non-Petroleum Revenue</b>	<b>479.9</b>	<b>483.5</b>	<b>476.2</b>
14	<b>Total Restricted Designated General Fund Revenue</b>	<b>722.2</b>	<b>577.7</b>	<b>633.0</b>
<b>Other Restricted Revenue</b>				
<b>Investment Revenue</b>				
15	Investments – Other Restricted	1.4	-0.8	2.4
16	Constitutional Budget Reserve Fund	2.2	0.5	1.7
17	Alaska Permanent Fund Restricted Earnings, net of General Fund Draw <sup>3</sup>	16,275.0	1,406.1	1,497.1
18	<b>Subtotal Investment Revenue</b>	<b>16,278.6</b>	<b>1,405.8</b>	<b>1,501.2</b>
<b>Petroleum Revenue</b>				
19	Royalties, Bonuses, Rents, and Interest to Alaska Permanent Fund	272.3	448.4	523.3
20	Royalties, Bonuses, Rents, and Interest to Public School Trust Fund	5.4	8.9	10.5
21	Tax and Royalty Settlements to Constitutional Budget Reserve Fund <sup>4</sup>	22.5	0.0	25.0
22	<b>Subtotal Petroleum Revenue</b>	<b>300.2</b>	<b>457.3</b>	<b>558.8</b>
<b>Non-Petroleum Revenue</b>				
23	Taxes	19.6	38.7	51.5
24	Charges for Services	19.5	96.5	102.0
25	Fines and Forfeitures	17.2	17.8	17.2
26	Licenses and Permits	36.5	38.3	38.5
27	Rents and Royalties (includes bonuses and interest)	3.1	3.1	3.3
28	Other	15.1	15.0	15.0
29	<b>Subtotal Non-Petroleum Revenue</b>	<b>111.0</b>	<b>209.4</b>	<b>227.6</b>
30	<b>Total Other Restricted Revenue</b>	<b>16,689.8</b>	<b>2,072.5</b>	<b>2,287.5</b>

## Restricted Revenue By type and source

		Millions of Dollars		
		History	Forecast	
		FY 2021	FY 2022	FY 2023
<b>Restricted Federal Revenue</b>				
31	<b>Federal Receipts</b>	<b>7,555.0</b>	<b>6,165.1</b>	<b>5,135.1</b>
<b>Petroleum Revenue</b>				
32	NPR-A Royalties (includes bonuses, rents, and interest) <sup>5</sup>	15.8	15.0	48.7
33	<b>Total Restricted Federal Revenue</b>	<b>7,570.8</b>	<b>6,180.1</b>	<b>5,183.8</b>
34	<b>Total Restricted Revenue</b>	<b>24,982.8</b>	<b>8,830.3</b>	<b>8,104.3</b>

<sup>1</sup> Includes subfunds of the general fund.

<sup>2</sup> Beginning with FY 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as Unrestricted General Fund revenue; this change in presentation was made for conformity to budget documents.

<sup>3</sup> While payouts are limited to realized earnings, both unrealized and realized earnings are shown per Generally Accepted Accounting Principles (GAAP). Restricted earnings starting in FY 2019 consist of unrealized earnings plus realized earnings, less the transfer to the general fund. Beginning with FY 2020, investment earnings of the Alaska Capital Income Fund are excluded from this number.

<sup>4</sup> CBR earnings projections and balances reflect conservative estimates that do not incorporate potential amounts swept to the CBR under Alaska Constitution Art. IX Sec. 17(d) for FY22 and beyond.

<sup>5</sup> Petroleum Revenue shown in the Restricted Federal Revenue category includes the state share of rents, royalties, and bonuses received from the National Petroleum Reserve – Alaska.



# Total Unrestricted General Fund Revenue FY 2021 actuals and FY 2022 – FY 2031 forecast

Millions of Dollars												
		History	Forecast									
		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Unrestricted General Fund Revenue</b>												
1	Investment Revenue	3,120.9	3,064.6	3,376.6	3,619.9	3,833.6	4,052.3	4,299.1	4,397.0	4,490.7	4,578.5	4,661.3
2	Petroleum Revenue	1,217.6	3,519.9	4,449.1	3,517.8	2,827.7	2,393.4	2,154.8	2,098.9	2,079.9	2,130.7	2,475.4
3	Non-Petroleum Revenue	444.3	368.3	505.3	528.0	535.1	539.8	546.7	563.7	569.3	584.0	597.5
4	<b>Total Unrestricted General Fund Revenue</b>	<b>4,782.8</b>	<b>6,952.7</b>	<b>8,331.0</b>	<b>7,665.7</b>	<b>7,196.4</b>	<b>6,985.5</b>	<b>7,000.7</b>	<b>7,059.6</b>	<b>7,140.0</b>	<b>7,293.2</b>	<b>7,734.2</b>
5	Percent from Petroleum	25%	51%	53%	46%	39%	34%	31%	30%	29%	29%	32%
6	<b>Permanent Fund Transfer</b>	<b>3,091.5</b>	<b>3,069.3</b>	<b>3,360.6</b>	<b>3,601.0</b>	<b>3,812.0</b>	<b>4,028.0</b>	<b>4,272.0</b>	<b>4,367.0</b>	<b>4,458.0</b>	<b>4,543.0</b>	<b>4,623.0</b>
7	<b>Total Unrestricted Revenue (not including Permanent Fund Transfer)</b>	<b>1,691.3</b>	<b>3,883.4</b>	<b>4,970.4</b>	<b>4,064.7</b>	<b>3,384.4</b>	<b>2,957.5</b>	<b>2,728.7</b>	<b>2,692.6</b>	<b>2,682.0</b>	<b>2,750.2</b>	<b>3,111.2</b>
8	Percent from Petroleum	72%	91%	90%	87%	84%	81%	79%	78%	78%	77%	80%
<b>Selected Petroleum Data</b>												
9	Price Per Barrel of ANS Crude (Dollars)	54.14	91.68	101.00	90.00	82.00	77.00	75.00	74.00	74.00	75.00	77.00
10	Average Daily ANS Production	486.1	481.8	502.3	503.2	511.6	510.1	513.7	523.7	521.8	535.3	576.6

# Current-Year Revenue Subject to Appropriation

## FY 2021 actuals and FY 2022 – FY 2031 forecast

Millions of Dollars											
	History	Forecast									
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Investment Revenue</b>											
1 Unrestricted General Fund	3,120.9	3,064.6	3,376.6	3,619.9	3,833.6	4,052.3	4,299.1	4,397.0	4,490.7	4,578.5	4,661.3
2 Designated General Fund	182.3	15.4	47.8	48.1	48.3	48.5	48.8	49.0	49.2	49.5	49.7
3 CBRF	2.2	0.5	1.7	2.9	4.2	5.6	7.1	8.8	10.5	12.4	14.5
4 <b>Subtotal Investment Revenue</b>	<b>3,305.3</b>	<b>3,080.4</b>	<b>3,426.1</b>	<b>3,670.9</b>	<b>3,886.1</b>	<b>4,106.4</b>	<b>4,355.0</b>	<b>4,454.8</b>	<b>4,550.4</b>	<b>4,640.4</b>	<b>4,725.5</b>
<b>Petroleum Revenue</b>											
5 Unrestricted General Fund	1,217.6	3,519.9	4,449.1	3,517.8	2,827.7	2,393.4	2,154.8	2,098.9	2,079.9	2,130.7	2,475.4
6 Production Tax - Hazardous Release Surcharge <sup>1</sup>	0.0	7.9	8.2	8.2	8.3	8.2	8.3	8.4	8.4	8.5	9.1
7 Royalties, Bonuses, Rents, and Interest to Alaska Permanent Fund	60.0	71.0	100.9	97.0	96.9	91.9	101.2	113.9	122.0	149.5	204.2
8 Tax and Royalty Settlements to CBRF	22.5	0.0	25.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
9 <b>Subtotal Petroleum Revenue</b>	<b>1,300.1</b>	<b>3,598.7</b>	<b>4,583.1</b>	<b>3,653.0</b>	<b>2,962.9</b>	<b>2,523.5</b>	<b>2,294.4</b>	<b>2,251.3</b>	<b>2,240.3</b>	<b>2,318.7</b>	<b>2,718.7</b>
<b>Non-Petroleum Revenue</b>											
10 Unrestricted General Fund	444.3	368.3	505.3	528.0	535.1	539.8	546.7	563.7	569.3	584.0	597.5
11 Designated General Fund <sup>1</sup>	477.1	480.6	473.1	475.6	477.5	479.3	480.6	481.9	483.2	484.3	485.7
12 Royalties, Bonuses, Rents, and Interest to Alaska Permanent Fund	2.8	2.9	3.1	3.1	3.2	3.3	3.3	3.3	3.3	3.3	3.3
13 Tax and Royalty Settlements to CBRF <sup>2</sup>	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14 <b>Subtotal Non-Petroleum Revenue</b>	<b>924.4</b>	<b>851.8</b>	<b>981.5</b>	<b>1,006.7</b>	<b>1,015.8</b>	<b>1,022.4</b>	<b>1,030.6</b>	<b>1,048.9</b>	<b>1,055.8</b>	<b>1,071.6</b>	<b>1,086.5</b>
15 <b>Total Revenue Subject to Appropriation</b>	<b>5,529.8</b>	<b>7,531.0</b>	<b>8,990.7</b>	<b>8,330.6</b>	<b>7,864.8</b>	<b>7,652.3</b>	<b>7,680.0</b>	<b>7,754.9</b>	<b>7,846.5</b>	<b>8,030.7</b>	<b>8,530.7</b>

Note: CBRF is an acronym for Constitutional Budget Reserve Fund.

<sup>1</sup> Beginning with FY 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as Unrestricted General Fund revenue; this change in presentation was made for conformity to budget documents.

<sup>2</sup> CBR earnings projections and balances reflect conservative estimates that do not incorporate potential amounts swept to the CBR under Alaska Constitution Art. IX Sec. 17(d) for FY22 and beyond.

# ANS Oil and Gas Production Tax Data Summary

		History	Forecast	
		FY 2021	FY 2022	FY 2023
<b>North Slope Price (dollars per barrel)</b>				
1	ANS West Coast	54.14	91.68	101.00
2	Transportation Costs and Other	9.19	9.71	9.40
3	ANS Wellhead	44.95	81.97	91.60
<b>North Slope Production <sup>1</sup> (thousand barrels per day)</b>				
4	Total ANS Production	486.1	481.8	502.3
5	Royalty and Federal <sup>2</sup>	60.5	59.6	61.6
6	Taxable Barrels	425.5	422.2	440.7
<b>North Slope Lease Expenditures <sup>3, 4</sup> (millions of dollars)</b>				
<b>Allowable North Slope Lease Expenditures</b>				
7	Operating Expenditures [OPEX]	2,390.2	2,401.6	2,853.0
8	Capital Expenditures [CAPEX]	1,556.7	1,657.2	2,457.9
9	<b>Total Allowable North Slope Expenditures</b>	<b>3,946.9</b>	<b>4,058.8</b>	<b>5,310.9</b>
<b>Deductible North Slope Lease Expenditures</b>				
10	Operating Expenditures [OPEX]	2,135.0	2,325.4	2,767.8
11	Capital Expenditures [CAPEX]	1,390.5	1,324.0	1,802.5
12	<b>Total Deductible North Slope Expenditures</b>	<b>3,525.5</b>	<b>3,649.3</b>	<b>4,570.3</b>
<b>State Production Tax Revenue <sup>5</sup></b>				
13	Tax Revenue (millions of dollars)	389.0	1,949.1	2,542.5
14	Production Tax Collected per Taxable Barrel (dollars per barrel)	2.50	12.65	15.80
<b>Statewide Production Tax Credits <sup>3, 6</sup> (millions of dollars)</b>				
15	Credits Used against Tax Liability	788.2	1,195.0	957.0
16	Credits for Potential Purchase	0.0	54.2	349.0

<sup>1</sup> Beginning with FY 2019, natural gas liquids (NGLs) shipped from Prudhoe Bay to Kuparuk for use in large-scale enhanced oil recovery project are excluded from actual and production reported in this table. These transfers are assumed to cease in the forecasted production years. With new information, future NGL shipment estimates may change, and the changes will be included in subsequent production forecasts.

<sup>2</sup> Royalty and Federal barrels represent the Department of Revenue's best estimate of barrels that are not taxed. This estimate includes both state and federal royalty barrels, and barrels produced from federal offshore property.

<sup>3</sup> Historical lease expenditures and credits used against tax liability were prepared using unaudited company-reported estimates.

<sup>4</sup> Expenditure forecasts for FY 2022 and FY 2023 are compiled from company submitted estimates and other documentation as provided to DOR. Expenditures are shown in two ways: (1) total estimated allowable expenditures for all companies on the North Slope; and (2) estimated "deductible expenditures" defined for purposes of this analysis as the amount of total allowable expenditures for each company that does not exceed their gross value at point of production. Note that for producers with a net operating loss, only a portion of expenditures will be counted in the "deductible expenditures" category.

<sup>5</sup> This amount includes surcharges in addition to production tax revenue. Production tax is calculated on a company-specific basis, therefore the aggregated data reported here will not generate the total tax revenue shown. For an illustration of the tax calculation, see Appendix Table E-1 in the Fall 2021 Revenue Sources Book.

<sup>6</sup> Production tax credits shown include all production tax credits from all areas of the state. Assumptions for the Small-Producer Credit are included in the table. Per-Taxable-Barrel Credits for oil not eligible for the gross value reduction may not reduce a producer's liability below the minimum tax; that limitation is reflected in these estimates.

## 10-Year Forecast for Production Tax Credits

### FY 2022 – FY 2031 forecast

		Millions of Dollars									
		Forecast									
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Statewide Credits</b>											
1 Credits Used against Tax Liability		1,195	957	1,108	1,260	1,266	1,252	1,218	1,225	1,280	1,424
2 Credits Purchased by the State <sup>1</sup>		54	349	183	0	0	0	0	0	0	0
<b>3 Total Statewide Production Tax Credits</b>		<b>1,250</b>	<b>1,306</b>	<b>1,291</b>	<b>1,260</b>	<b>1,266</b>	<b>1,252</b>	<b>1,218</b>	<b>1,225</b>	<b>1,280</b>	<b>1,424</b>
<b>4 Statutory Appropriation to Oil and Gas Tax Credit Fund <sup>2</sup></b>		<b>---</b>	<b>349</b>	<b>286</b>	<b>245</b>	<b>214</b>	<b>191</b>	<b>181</b>	<b>182</b>	<b>190</b>	<b>229</b>

<sup>1</sup> Credits Purchased by the State consists primarily of production tax credits purchased, but also includes corporate income tax credits available for state purchase from the Oil and Gas Tax Credit Fund. These include the Gas Storage Facility Credit, LNG Storage Facility Credit, and Refinery Credits.

<sup>2</sup> Per AS 43.55.028(c), the statutory appropriation is 10% of taxes levied by AS 43.55.011 (oil and gas production tax) when the Alaska North Slope price forecast for the fiscal year is \$60 per barrel or higher, and 15% of taxes levied by AS 43.55.011 when the ANS price forecast for the fiscal year is below \$60 per barrel.

Note: The Spring 2022 forecast assumes that there are \$532 million of outstanding credits at the end of FY 2022 that are estimated to be available for state purchase. This forecast assumes that the statutory appropriation for purchase of tax credits will be made annually beginning in FY 2023. In this scenario, the final appropriation would be made in FY 2024 to retire all outstanding tax credits.

# Historical Production Tax Credits Detail, FY 2012 – FY 2031

		Millions of Dollars									
		History									
Fiscal Year		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 <sup>1</sup>
<b>Credits Purchased by the State of Alaska</b>											
<b>North Slope</b>											
1	Qualified capital expenditure, AS 43.55.023(a); Carry-forward, AS 43.55.023(b)	267	*	*	203	*	*	*	*	0	0
2	Credits under AS 43.55.025 <sup>2</sup>	53	*	*	21	*	*	*	*	0	0
3	<b>Total North Slope</b>	<b>320</b>	<b>261</b>	<b>281</b>	<b>224</b>	<b>212</b>	<b>&lt; 1</b>	<b>51</b>	<b>68</b>	<b>0</b>	<b>0</b>
<b>Non-North Slope</b>											
4	Qualified capital expenditure, AS 43.55.023(a); Carry-forward, AS 43.55.023(b); Well lease expenditure, AS 43.55.023(l)	29	*	*	384	*	30	26	30	*	0
5	Credits under AS 43.55.025 <sup>2</sup>	4	*	*	21	*	0	*	*	*	0
6	Credits under AS 43.20 <sup>3</sup>	0	*	15	0	*	0	*	*	*	0
7	<b>Total Non-North Slope</b>	<b>33</b>	<b>108</b>	<b>312</b>	<b>404</b>	<b>287</b>	<b>30</b>	<b>27</b>	<b>32</b>	<b>1</b>	<b>0</b>
8	<b>Total Credits Purchased by the State</b>	<b>353</b>	<b>369</b>	<b>592</b>	<b>628</b>	<b>498</b>	<b>30</b>	<b>78</b>	<b>100</b>	<b>1</b>	<b>0</b>
<b>Credits Used Against Tax Liability <sup>4,5</sup></b>											
<b>North Slope</b>											
9	Qualified capital expenditure, AS 43.55.023(a); Carry-forward annual loss, AS 43.55.023(b); Well lease expenditure, AS 43.55.023(l)	306	486	332	0	*	*	*	*	*	*
10	Transitional Investment Credit: AS 43.55.023(i)	*	*	0							
11	Per taxable barrel credit, AS 43.55.024(i)-(j) <sup>6</sup>			516	524	86	536	1,001	1,037	613	740
12	Small producer credit, AS 43.55.024(a)(c)	*	*	*	*	*	*	*	*	*	*
13	Credits under AS 43.55.025 <sup>2</sup>	*	*	*	*	*	*	*	*	*	*
14	<b>Total North Slope</b>	<b>347</b>	<b>536</b>	<b>907</b>	<b>575</b>	<b>120</b>	<b>570</b>	<b>1,034</b>	<b>1,061</b>	<b>621</b>	<b>787</b>
<b>Non-North Slope</b>											
15	Qualified capital expenditure, AS 43.55.023(a); Carry-forward, AS 43.55.023(b); Well lease expenditure, AS 43.55.023(l)	*	*	*	*	*	*	*	*	*	*
16	Small producer credit, AS 43.55.024(a)(c)	*	*	*	*	*	*	*	*	*	*
17	<b>Total Non-North Slope</b>	<b>16</b>	<b>14</b>	<b>12</b>	<b>10</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
18	<b>Total Credits Used Against Tax Liability</b>	<b>363</b>	<b>550</b>	<b>919</b>	<b>585</b>	<b>125</b>	<b>572</b>	<b>1,036</b>	<b>1,063</b>	<b>623</b>	<b>788</b>
19	Total Credits North Slope	667	797	1,188	799	332	570	1,086	1,129	621	787
20	Total Credits Non-North Slope	49	122	323	414	292	32	28	34	2	1
21	<b>Total Statewide Production Tax Credits</b>	<b>716</b>	<b>919</b>	<b>1,511</b>	<b>1,213</b>	<b>624</b>	<b>602</b>	<b>1,114</b>	<b>1,162</b>	<b>624</b>	<b>788</b>
22	<b>Carried-Forward Credits Balance and Tax Value of Carried-Forward Annual Losses <sup>7,8</sup></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>222</b>	<b>459</b>

Please note that all the footnote references for Table 8-4 are on page 15.

# Historical Production Tax Credits and Forecast

## Detail, FY 2012 – FY 2031 continued

		Millions of Dollars									
		Forecast									
Fiscal Year		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Credits Purchased by the State of Alaska</b>											
<b>North Slope</b>											
1	Qualified capital expenditure, AS 43.55.023(a); Carry-forward, AS 43.55.023(b)	34	169	36	0	0	0	0	0	0	0
2	Credits under AS 43.55.025 <sup>2</sup>	2	48	36	0	0	0	0	0	0	0
3	<b>Total North Slope</b>	<b>36</b>	<b>217</b>	<b>72</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Non-North Slope</b>											
4	Qualified capital expenditure, AS 43.55.023(a); Carry-forward, AS 43.55.023(b); Well lease expenditure, AS 43.55.023(l)	17	117	61	0	0	0	0	0	0	0
5	Credits under AS 43.55.025 <sup>2</sup>	0	0	0	0	0	0	0	0	0	0
6	Credits under AS 43.20 <sup>3</sup>	1	14	49	0	0	0	0	0	0	0
7	<b>Total Non-North Slope</b>	<b>18</b>	<b>132</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
8	<b>Total Credits Purchased by the State</b>	<b>54</b>	<b>349</b>	<b>183</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Credits Used Against Tax Liability <sup>4,5</sup></b>											
<b>North Slope</b>											
9	Qualified capital expenditure, AS 43.55.023(a); Carry-forward annual loss, AS 43.55.023(b); Well lease expenditure, AS 43.55.023(l)	128	0	0	0	0	0	0	0	0	0
10	Transitional Investment Credit: AS 43.55.023(i)										
11	Per taxable barrel credit, AS 43.55.024(i)-(j)6	1,058	952	1,104	1,257	1,265	1,252	1,218	1,225	1,280	1,424
12	Small producer credit, AS 43.55.024(a)(c)	1	1	1	1	0	0	0	0	0	0
13	Credits under AS 43.55.025 <sup>2</sup>	0	0	0	0	0	0	0	0	0	0
14	<b>Total North Slope</b>	<b>1,187</b>	<b>953</b>	<b>1,105</b>	<b>1,257</b>	<b>1,265</b>	<b>1,252</b>	<b>1,218</b>	<b>1,225</b>	<b>1,280</b>	<b>1,424</b>
<b>Non-North Slope</b>											
15	Qualified capital expenditure, AS 43.55.023(a); Carry-forward, AS 43.55.023(b); Well lease expenditure, AS 43.55.023(l)	5	0	0	0	0	0	0	0	0	0
16	Small producer credit, AS 43.55.024(a)(c)	3	3	3	3	1	0	0	0	0	0
17	<b>Total Non-North Slope</b>	<b>8</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
18	<b>Total Credits Used Against Tax Liability</b>	<b>1,195</b>	<b>957</b>	<b>1,108</b>	<b>1,260</b>	<b>1,266</b>	<b>1,252</b>	<b>1,218</b>	<b>1,225</b>	<b>1,280</b>	<b>1,424</b>
19	Total Credits North Slope	1,223	1,171	1,177	1,257	1,265	1,252	1,218	1,225	1,280	1,424
20	Total Credits Non-North Slope	27	135	114	3	1	0	0	0	0	0
21	<b>Total Statewide Production Tax Credits</b>	<b>1,250</b>	<b>1,306</b>	<b>1,291</b>	<b>1,260</b>	<b>1,266</b>	<b>1,252</b>	<b>1,218</b>	<b>1,225</b>	<b>1,280</b>	<b>1,424</b>
22	<b>Carried-Forward Credits Balance and Tax Value of Carried-Forward Annual Losses <sup>7,8</sup></b>	<b>473</b>	<b>683</b>	<b>955</b>	<b>1,177</b>	<b>1,312</b>	<b>1,345</b>	<b>1,375</b>	<b>1,351</b>	<b>1,268</b>	<b>1,086</b>

\* Data cannot be reported due to confidentiality constraints.

<sup>1</sup> These numbers are preliminary pending annual returns.

<sup>2</sup> Credits under AS 43.55.025 include the Alternative Credit for Exploration, Frontier Basin Credit, and Cook Inlet Jack-up Rig Credit.

<sup>3</sup> Credits under AS 43.20 include the Gas Exploration and Development Credit, Gas Storage Facility Credit, In-State Gas Refinery Credit, and the LNG Storage Facility Credit.

<sup>4</sup> The Education Credit, AS 43.55.019, though not reported in its own credit category in the summary, was less than \$1 million in each year reported and is calculated in the total.

<sup>5</sup> For historical credits against tax liability credits were placed according to where the company primarily operated. Since multiple companies had operations in multiple areas, these numbers should be treated as rough estimates.

<sup>6</sup> For FY 2014, the Per Taxable Barrel Credit was in effect for only the last six months of the fiscal year. Credits applied against liability in the forecast are limited by a company's tax liability including the minimum tax.

<sup>7</sup> This row includes estimates of carried-forward credits for previous calendar years for companies with over 50,000 BOE of production. These Carried-Forward Credits are held by companies that are not eligible for refund. Carried-forward credits are primarily for net operating losses under AS 43.55.023(b). The Tax Value of Carried-Forward Annual Losses is calculated by multiplying the amount of carried-forward annual loss by the statutory 35% tax rate.

<sup>8</sup> Historical values reported here are estimated based on excess lease expenditures reported on annual tax returns plus estimated carried-forward tax credits for companies not eligible for state purchase as of June 30 of the fiscal year. The department has not prepared final estimates for years prior to FY 2020 for total value at those points in time of carried-forward lease expenditures and credits.

# Petroleum Revenue <sup>1</sup> By restriction and type

Millions of Dollars

		History									
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>Unrestricted Petroleum Revenue</b>											
1	Petroleum Property Tax	111	99	128	125	112	120	122	120	123	119
2	Petroleum Corporate Income Tax	569	435	308	95	-59	-59	66	218	0	-19
3	Production Tax	6,137	4,043	2,606	382	177	126	741	587	277	381
4	Oil and Gas Hazardous Release <sup>2</sup>	9	8	9	8	9	9	9	8	8	8
5	Oil and Gas Royalties <sup>3</sup>	2,023	1,748	1,685	1,052	840	676	978	1,075	660	709
6	Bonuses, Rents, and Interest <sup>3</sup>	9	19	27	26	30	5	25	37	15	20
7	<b>Total Unrestricted Petroleum Revenue</b>	<b>8,858</b>	<b>6,352</b>	<b>4,763</b>	<b>1,688</b>	<b>1,110</b>	<b>877</b>	<b>1,940</b>	<b>2,044</b>	<b>1,083</b>	<b>1,218</b>
8	Cumulative Total Unrestricted Petroleum Revenue <sup>4</sup>	102,247	108,599	113,362	115,050	116,159	117,036	118,976	121,020	122,103	123,321
<b>Restricted Petroleum Revenue</b>											
9	Oil and Gas Hazardous Release <sup>2</sup>	0	0	0	0	0	0	0	0	0	0
10	NPR-A Rents, Royalties, Bonuses	5	4	7	3	2	1	24	12	16	16
11	Royalties to Permanent Fund <sup>5</sup>	905	842	774	510	391	335	356	375	319	332
12	Royalties to Public School Trust Fund	15	14	13	8	6	6	7	8	5	5
13	Constitutional Budget Reserve Fund Deposits	103	357	177	150	119	482	121	181	281	23
14	<b>Total Restricted Petroleum Revenue</b>	<b>1,027</b>	<b>1,217</b>	<b>970</b>	<b>671</b>	<b>518</b>	<b>823</b>	<b>508</b>	<b>576</b>	<b>622</b>	<b>376</b>
15	Cumulative Total Restricted Petroleum Revenue <sup>4, 6</sup>	21,356	22,573	23,543	24,215	24,733	25,556	26,064	26,640	27,261	27,637
16	<b>Total Petroleum Revenue</b>	<b>9,885</b>	<b>7,569</b>	<b>5,733</b>	<b>2,359</b>	<b>1,627</b>	<b>1,700</b>	<b>2,448</b>	<b>2,620</b>	<b>1,705</b>	<b>1,594</b>
17	Cumulative Total Petroleum Revenue <sup>4,6</sup>	123,603	131,172	136,905	139,265	140,892	142,592	145,040	147,660	149,365	150,958

<sup>1</sup> Historical petroleum revenue can be found on the Tax Division's website at <http://tax.alaska.gov/sourcesbook/qr.aspx?Chapter=26&FY=2022>.

<sup>2</sup> Beginning with FY 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as Unrestricted General Fund revenue.

<sup>3</sup> Net of Permanent Fund, Public School Trust Fund, and Constitutional Budget Reserve Fund deposits.

<sup>4</sup> Based on revenue beginning in FY 1959.

<sup>5</sup> Includes both Designated General Fund Royalties and Other Restricted Royalties.

<sup>6</sup> Cumulative total petroleum revenue has been revised from figures presented in the Fall 2018 Revenue Sources Book. The primary change was to remove special appropriations to the Permanent Fund from the petroleum revenue calculation.



# Petroleum Revenue <sup>1</sup> By restriction and type

Millions of Dollars

		Forecast									
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Unrestricted Petroleum Revenue</b>											
1	Petroleum Property Tax	124	116	113	112	110	107	106	104	102	100
2	Petroleum Corporate Income Tax	190	340	320	295	280	280	275	275	275	280
3	Production Tax	1,941	2,534	1,754	1,190	870	657	596	590	618	862
4	Oil and Gas Hazardous Release <sup>2</sup>	0	0	0	0	0	0	0	0	0	0
5	Oil and Gas Royalties <sup>3</sup>	1,264	1,441	1,313	1,214	1,117	1,093	1,105	1,094	1,119	1,216
6	Bonuses, Rents, and Interest <sup>3</sup>	1	17	17	17	17	17	17	17	17	17
7	<b>Total Unrestricted Petroleum Revenue</b>	<b>3,520</b>	<b>4,449</b>	<b>3,518</b>	<b>2,828</b>	<b>2,393</b>	<b>2,155</b>	<b>2,099</b>	<b>2,080</b>	<b>2,131</b>	<b>2,475</b>
8	Cumulative Total Unrestricted Petroleum Revenue <sup>4</sup>	126,841	131,290	134,808	137,635	140,029	142,184	144,283	146,362	148,493	150,969
<b>Restricted Petroleum Revenue</b>											
9	Oil and Gas Hazardous Release <sup>2</sup>	8	8	8	8	8	8	8	8	9	9
10	NPR-A Rents, Royalties, Bonuses	15	49	67	90	102	89	73	68	79	99
11	Royalties to Permanent Fund <sup>5</sup>	519	624	576	543	503	508	529	536	581	687
12	Royalties to Public School Trust Fund	9	11	10	9	8	8	8	8	9	10
13	Constitutional Budget Reserve Fund Deposits	0	25	30	30	30	30	30	30	30	30
14	<b>Total Restricted Petroleum Revenue</b>	<b>551</b>	<b>717</b>	<b>691</b>	<b>680</b>	<b>652</b>	<b>643</b>	<b>649</b>	<b>650</b>	<b>707</b>	<b>835</b>
15	Cumulative Total Restricted Petroleum Revenue <sup>4, 6</sup>	28,188	28,905	29,596	30,276	30,928	31,571	32,220	32,870	33,576	34,411
16	<b>Total Petroleum Revenue</b>	<b>4,071</b>	<b>5,166</b>	<b>4,209</b>	<b>3,508</b>	<b>3,045</b>	<b>2,798</b>	<b>2,747</b>	<b>2,730</b>	<b>2,838</b>	<b>3,310</b>
17	Cumulative Total Petroleum Revenue <sup>4,6</sup>	155,029	160,195	164,403	167,911	170,957	173,755	176,502	179,232	182,070	185,380

<sup>1</sup> Historical petroleum revenue can be found on the Tax Division's website at <http://tax.alaska.gov/sourcesbook/qr.aspx?Chapter=26&FY=2022>.

<sup>2</sup> Beginning with FY 2022, the hazardous release surcharge and refined fuel surcharge are shown as Designated General Fund revenue. Previously these surcharges were shown as Unrestricted General Fund revenue.

<sup>3</sup> Net of Permanent Fund, Public School Trust Fund, and Constitutional Budget Reserve Fund deposits.

<sup>4</sup> Based on revenue beginning in FY 1959.

<sup>5</sup> Includes both Designated General Fund Royalties and Other Restricted Royalties.

<sup>6</sup> Cumulative total petroleum revenue has been revised from figures presented in the Fall 2018 Revenue Sources Book. The primary change was to remove special appropriations to the Permanent Fund from the petroleum revenue calculation.

## Price Difference

### Fall 2021 forecast and Spring 2022 forecast

		Dollars per barrel									
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Fall 2021 Forecast</b>											
1	ANS West Coast	75.72	71.00	69.00	68.00	67.00	66.00	66.00	65.00	67.00	68.00
2	ANS Wellhead Weighted Average All Destinations	66.03	61.91	60.01	58.83	57.76	56.68	56.69	55.66	57.49	58.55
<b>Spring 2022 Forecast</b>											
3	ANS West Coast	91.68	101.00	90.00	82.00	77.00	75.00	74.00	74.00	75.00	77.00
4	ANS Wellhead Weighted Average All Destinations	81.97	91.60	80.84	72.73	67.66	65.56	64.55	64.49	65.28	67.28
<b>Dollar Amount Change from Prior Forecast</b>											
5	ANS West Coast	15.96	30.00	21.00	14.00	10.00	9.00	8.00	9.00	8.00	9.00
6	ANS Wellhead Weighted Average All Destinations	15.94	29.69	20.83	13.91	9.89	8.88	7.87	8.83	7.79	8.73
<b>Percent Change from Prior Forecast</b>											
7	ANS West Coast	21.1%	42.3%	30.4%	20.6%	14.9%	13.6%	12.1%	13.8%	11.9%	13.2%
8	ANS Wellhead Weighted Average All Destinations	24.1%	48.0%	34.7%	23.6%	17.1%	15.7%	13.9%	15.9%	13.6%	14.9%

## Production Difference from Prior Forecast

### Fall 2021 forecast and Spring 2022 forecast

Thousand barrels per day

		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>Fall 2021 Forecast</b>											
1	Alaska North Slope	486.7	500.2	501.5	510.1	509.1	513.6	524.1	524.5	541.0	586.2
2	Non-North Slope	8.6	7.8	8.4	9.7	10.2	10.3	9.9	9.3	8.6	7.8
3	<b>Total</b>	<b>495.3</b>	<b>508.0</b>	<b>509.8</b>	<b>519.8</b>	<b>519.3</b>	<b>523.9</b>	<b>534.1</b>	<b>533.8</b>	<b>549.6</b>	<b>594.0</b>
<b>Spring 2022 Forecast</b>											
4	Alaska North Slope	481.8	502.3	503.2	511.6	510.1	513.7	523.7	521.8	535.3	576.6
5	Non-North Slope	8.8	7.8	8.3	9.6	10.1	10.2	9.8	9.4	8.7	7.8
6	<b>Total</b>	<b>490.6</b>	<b>510.2</b>	<b>511.5</b>	<b>521.2</b>	<b>520.2</b>	<b>523.9</b>	<b>533.5</b>	<b>531.2</b>	<b>544.0</b>	<b>584.5</b>
<b>Volume Change from Prior Forecast</b>											
7	Alaska North Slope	-4.9	2.2	1.7	1.5	1.0	0.1	-0.5	-2.7	-5.6	-9.6
8	Non-North Slope	0.2	0.0	0.0	-0.1	-0.1	-0.1	-0.1	0.1	0.1	0.1
9	<b>Total</b>	<b>-4.7</b>	<b>2.1</b>	<b>1.7</b>	<b>1.4</b>	<b>0.9</b>	<b>0.0</b>	<b>-0.6</b>	<b>-2.7</b>	<b>-5.5</b>	<b>-9.5</b>
<b>Percent Change from Prior Forecast</b>											
10	Alaska North Slope	-1.0%	0.4%	0.3%	0.3%	0.2%	0.0%	-0.1%	-0.5%	-1.0%	-1.6%
11	Non-North Slope	2.6%	-0.1%	-0.4%	-0.6%	-1.2%	-1.0%	-0.9%	0.6%	1.2%	0.9%
12	<b>Total</b>	<b>-0.9%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-0.5%</b>	<b>-1.0%</b>	<b>-1.6%</b>